



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 2/4/2004, by Martin A. Sandoval

SYNOPSIS AS INTRODUCED:

220 ILCS 5/13-403

from Ch. 111 2/3, par. 13-403

Amends the Public Utilities Act. Changes the requirements for approval of an application for a Certificate of Interexchange Service Authority. Adds guidelines for prepaid calling cards and point of sale services. Effective immediately.

LRB093 17673 AMC 43349 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning utilities.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by changing
5 Section 13-403 as follows:

6 (220 ILCS 5/13-403) (from Ch. 111 2/3, par. 13-403)

7 (Section scheduled to be repealed on July 1, 2005)

8 Sec. 13-403. Interexchange service authority; approval. In
9 order to protect and promote the legitimate business interests
10 of Illinois certified prepaid calling providers providing
11 intrastate, interstate, and international services, Illinois
12 point of sale retailers of prepaid communication services, and
13 Illinois consumers of these services against fraud, the ~~The~~
14 Commission shall approve an application for a Certificate of
15 Interexchange Service Authority only upon a showing by the
16 applicant, and a finding by the Commission, after notice and
17 hearing, that the applicant possesses sufficient technical,
18 financial, and managerial resources and abilities to provide
19 interexchange telecommunications service at a reasonable
20 quality and rate to the public on a prepaid basis, and will
21 bear all regulatory responsibility for services sold. A prepaid
22 calling service provider shall provide the Commission with all
23 terms of service in Illinois at which it wishes to sell,
24 including the expected number of cards it will release into the
25 stream of commerce or consumers to be served in Illinois on an
26 annual basis and the rates and surcharges to be built into the
27 prepaid service for regulatory tracking purposes by the
28 Commission. Each certificate approved by the Commission and the
29 terms of service of the carrier shall be recorded by the
30 Commission and given a final order number that can be reviewed
31 by the public on the Commission's website or can be made
32 available directly to consumers and retailers upon request.

1 Each certificate shall include the final order number, the full
2 legal name of the prepaid calling card provider, the customer
3 service number of the prepaid calling carrier, and the
4 corporate officer or directors bearing regulatory
5 responsibility for the card or prepaid service. Each card or
6 point of sale service for intrastate, interstate, or
7 international calling issued by the prepaid calling service
8 provider must disclose (i) all surcharges or regulatory fees
9 that are applicable to the consumer for use of the card or
10 service, the actual number of minutes offered by the card
11 inclusive of surcharges, and the customer service number of the
12 carrier and (ii) the certificated carrier name of the prepaid
13 communication provider. All compliance reporting and
14 documentation thereof submitted to the Commission under the
15 prepaid calling service provider's certificate must be signed
16 by the officer or directly listed on the certificate, as well
17 as the name of the person who is knowledgeable and responsible
18 for the records, and that person must certify that he or she
19 has control of the records in question.

20 An Illinois retailer who wishes to conduct business with a
21 prepaid calling service provider shall require the production
22 of the provider's final order number that indicates that they
23 were certified, the prepaid calling service provider's full
24 certificated name matching the name listed on the card or
25 service receipt, and written certification by the officer or
26 director bearing regulatory responsibility that this is a bona
27 fide sale by the certified Illinois provider. Upon proof that
28 the prepaid provider is certified in the State of Illinois, the
29 retailer shall produce a signature authorizing the sale of the
30 carrier's prepaid calling cards out of the retailer's place of
31 business with copies to be retained by the retailer and the
32 carrier. This authorization and proof of certification must be
33 maintained by the retailer for a period of one year and the
34 retailer must be able to produce and remit copies of this
35 authorization to the Commission or any other State agency
36 formally requesting proof of the transactions for the

1 regulatory purposes of investigating any authorized or
2 unauthorized providers within 10 business days of said request.
3 Any retailer who is found to have sold a prepaid calling card
4 or point of sale service to an end user without the required
5 certification is subject to fines up to \$50 or 5 times the
6 value of the card, whichever is greater, per uncertified card
7 sold depending upon the Commission's review and finding on the
8 particular incident. Nothing in this Act shall be construed to
9 limit the power of the Illinois Attorney General.

10 The removal from this Section of the dialing restrictions
11 by this amendatory Act of 1992 does not create any legislative
12 presumption for or against intra-Market Service Area
13 presubscription or changes in intra-Market Service Area
14 dialing arrangements related to the implementation of that
15 presubscription, but simply vests jurisdiction in the Illinois
16 Commerce Commission to consider after notice and hearing the
17 issue of presubscription in accordance with the policy goals
18 outlined in Section 13-103.

19 The Commission shall have authority to alter the boundaries
20 of Market Service Areas when such alteration is consistent with
21 the public interest and the purposes and policies of this
22 Article. A determination by the Commission with respect to
23 Market Service Area boundaries shall not modify or affect the
24 rights or obligations of any telecommunications carrier with
25 respect to any consent decree or agreement with the United
26 States Department of Justice, including, but not limited to,
27 the Modification of Final Judgment in United States v. Western
28 Electric Co., 552 F. Supp. 131 (D.D.C. 1982), as modified from
29 time to time.

30 (Source: P.A. 91-357, eff. 7-29-99.)

31 Section 99. Effective date. This Act takes effect upon
32 becoming law.